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Investment In A Healthy U.S. Energy Future

May 14, 2002

Houston, TX

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President,
DEGT - U.S.

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Agenda

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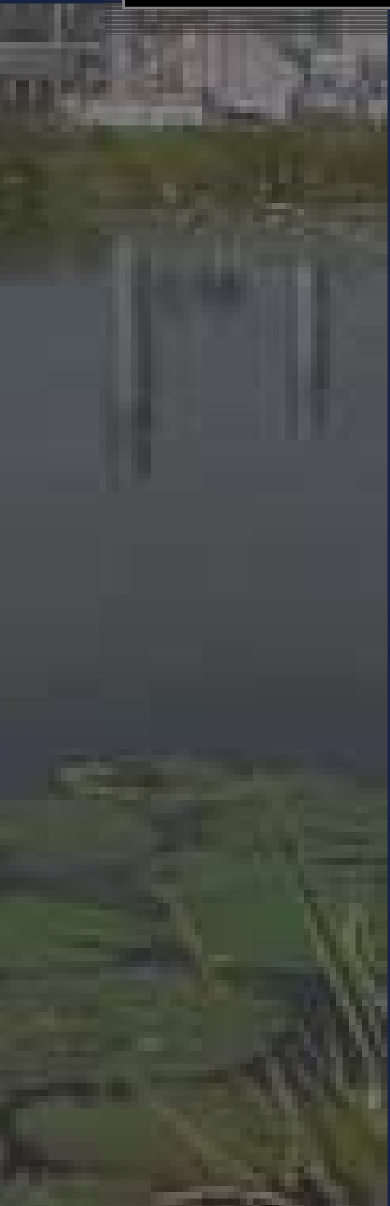
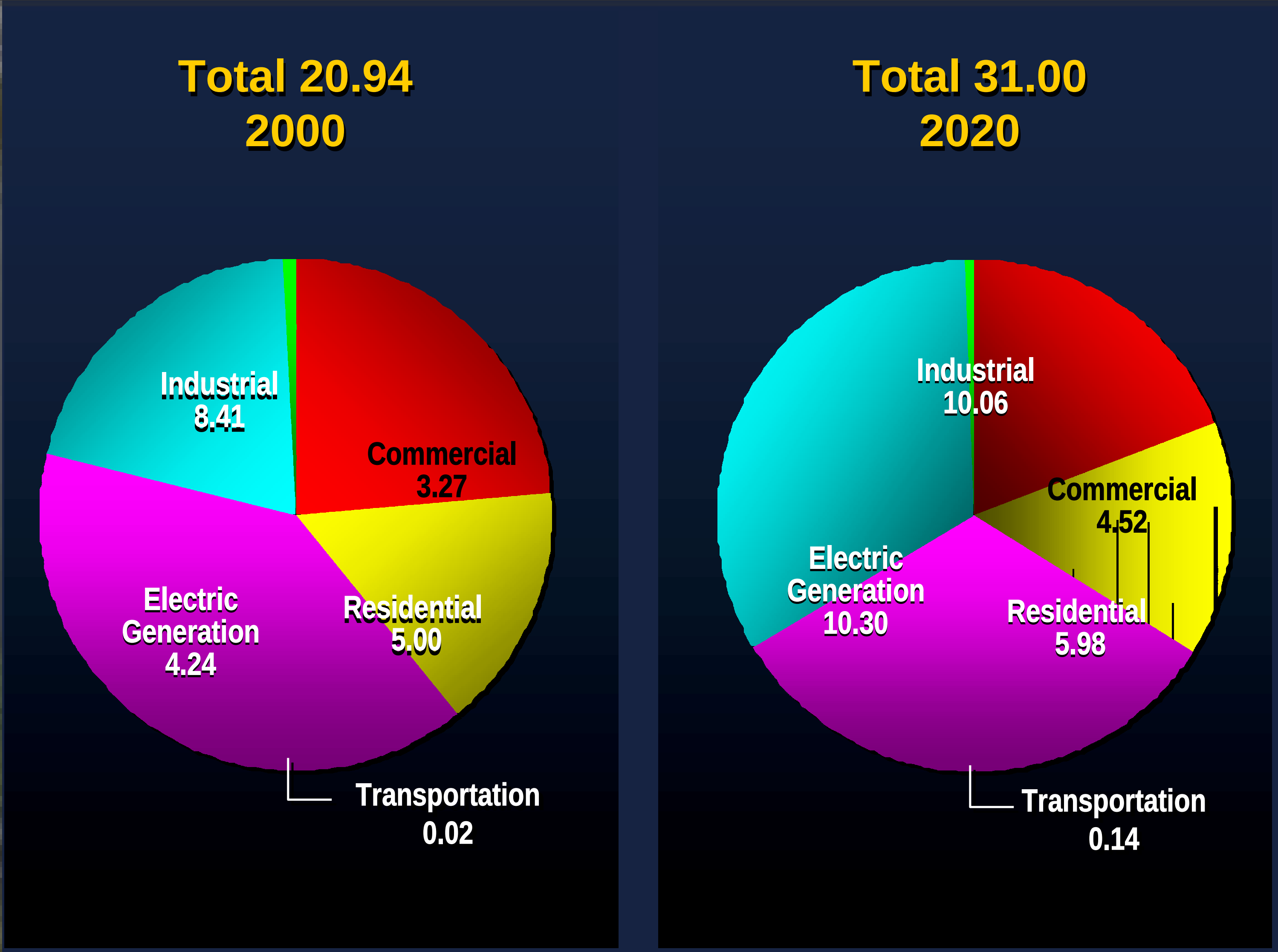
1. Market Growth Forecast
2. Growth Drivers
3. Supply
4. DEGT Market and Supply Growth Initiatives

DEGT's North America Operations 2002

0204-0162 (3)

Natural Gas Consumption by End-Use Sector (Tcf)





Source: EIA - Annual Energy Outlook 2002

Natural Gas Demand Growth by Region

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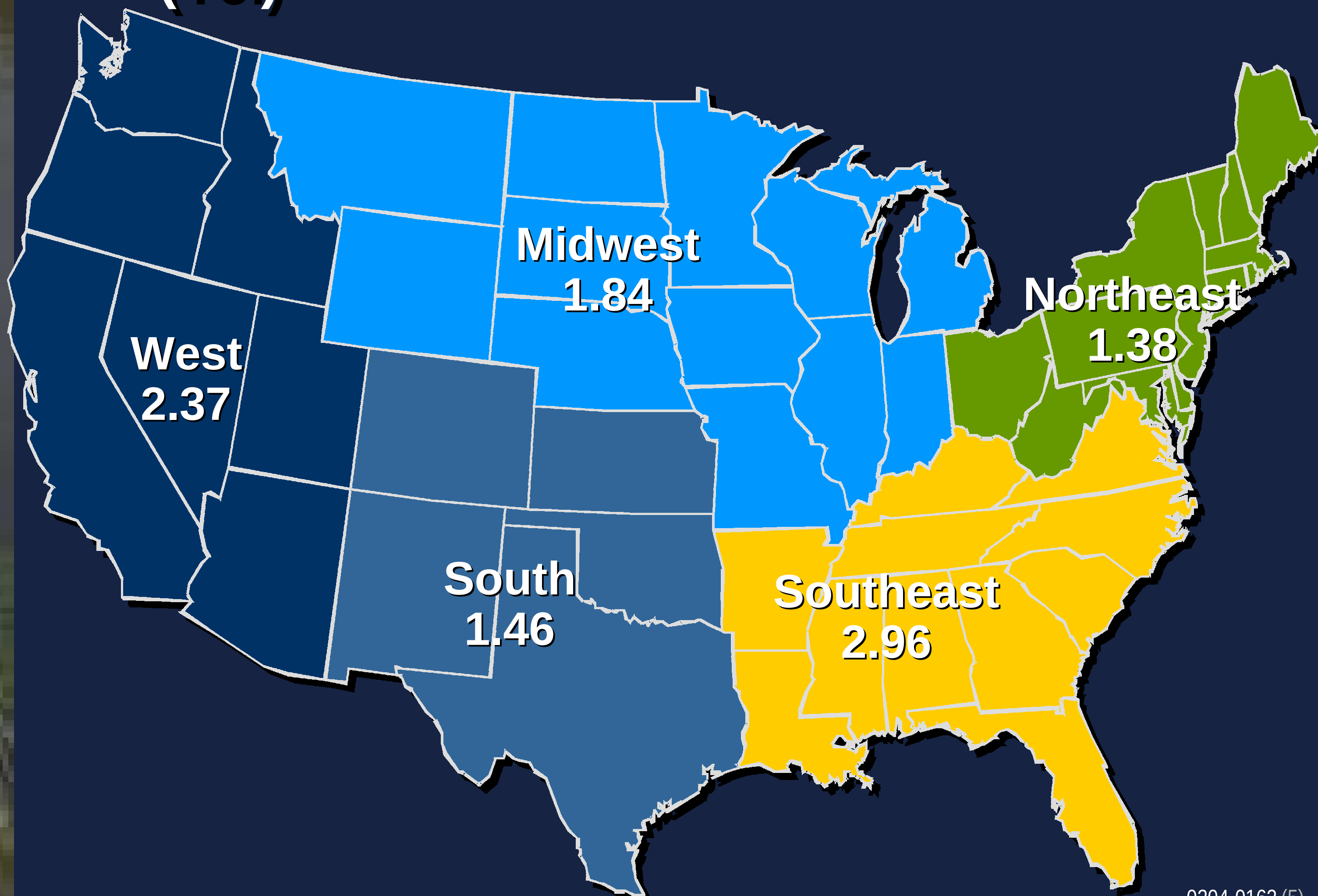
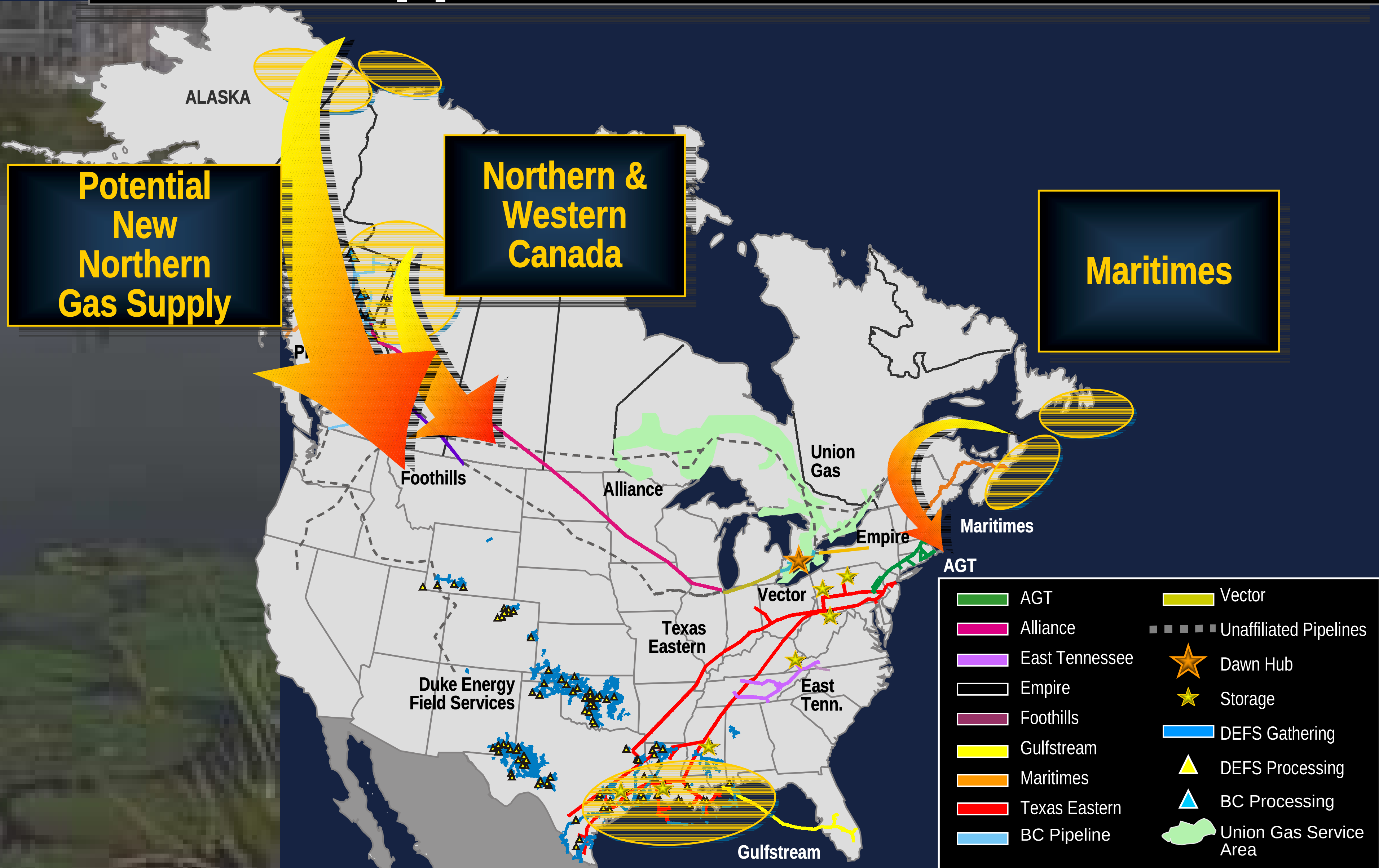


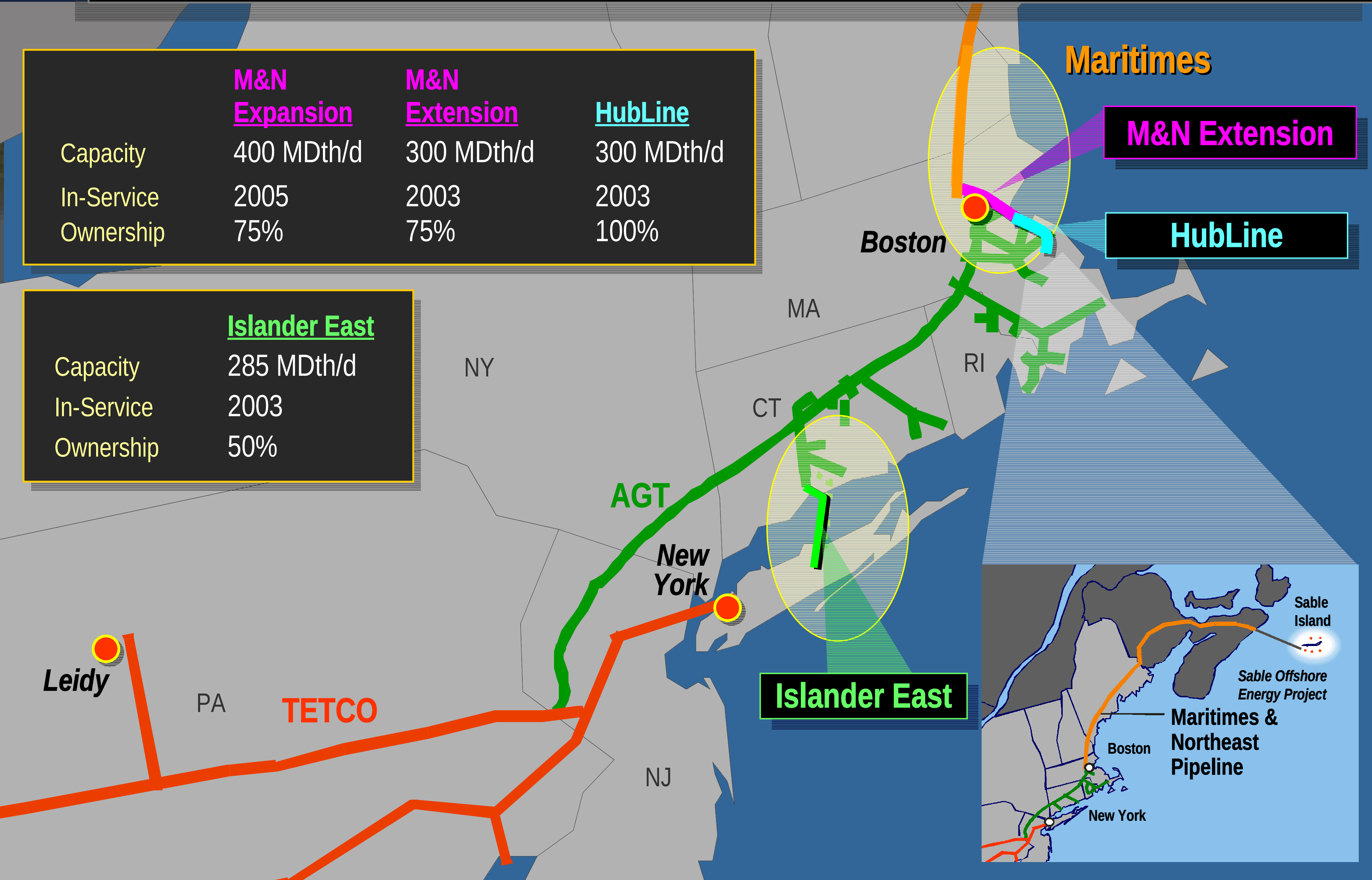
Looking Forward — Growth Opportunities



Northeast Growth Initiatives

	M&N Expansion	M&N Extension	HubLine
Capacity	400 MDth/d	300 MDth/d	300 MDth/d
In-Service	2005	2003	2003
Ownership	75%	75%	100%

	Islander East
Capacity	285 MDth/d
In-Service	2003
Ownership	50%



East Tennessee Growth Initiatives

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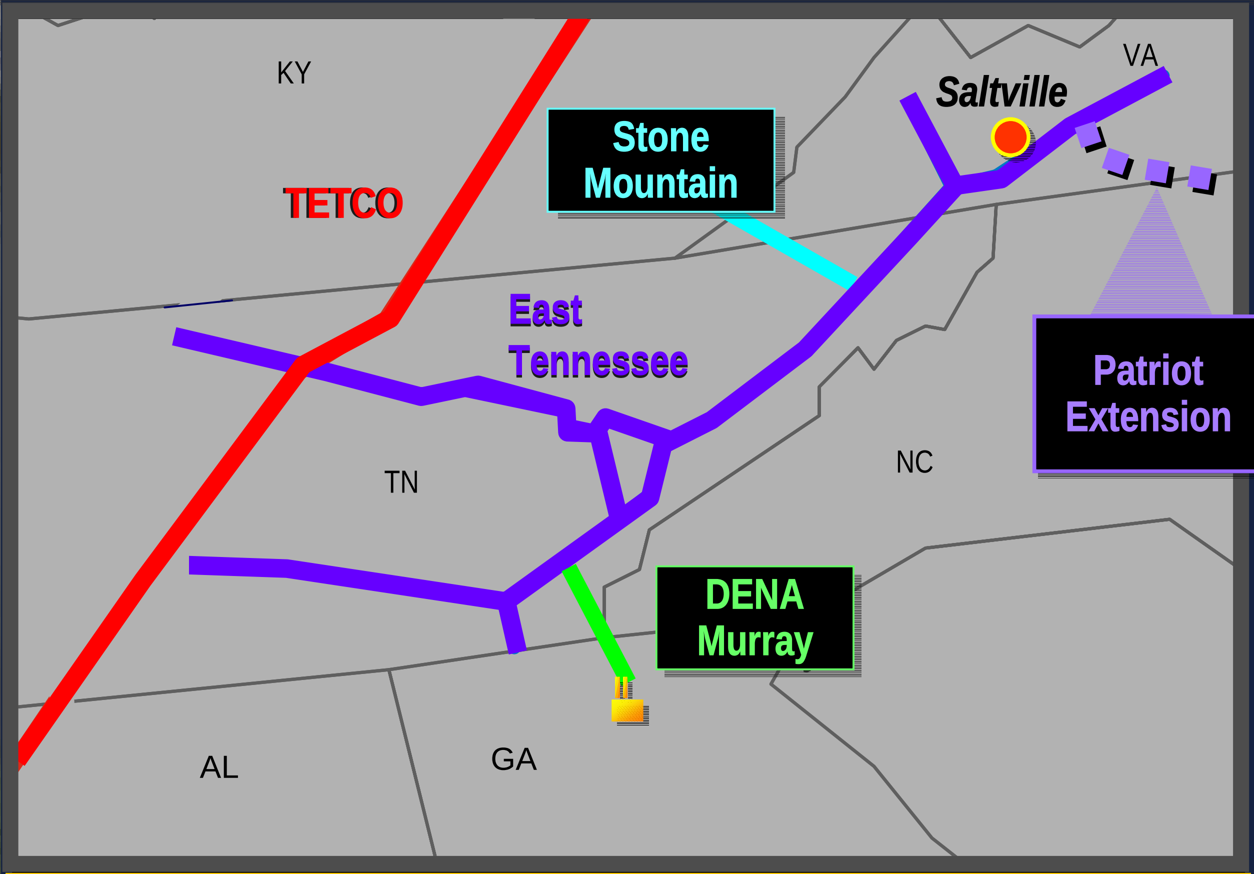

	Patriot	Stone Mountain	DENA Murray
Capacity	510 MDth/d	40 MDth/d	166 MDth/d
In-Service	2003	2001	2002

Storage Growth Initiatives

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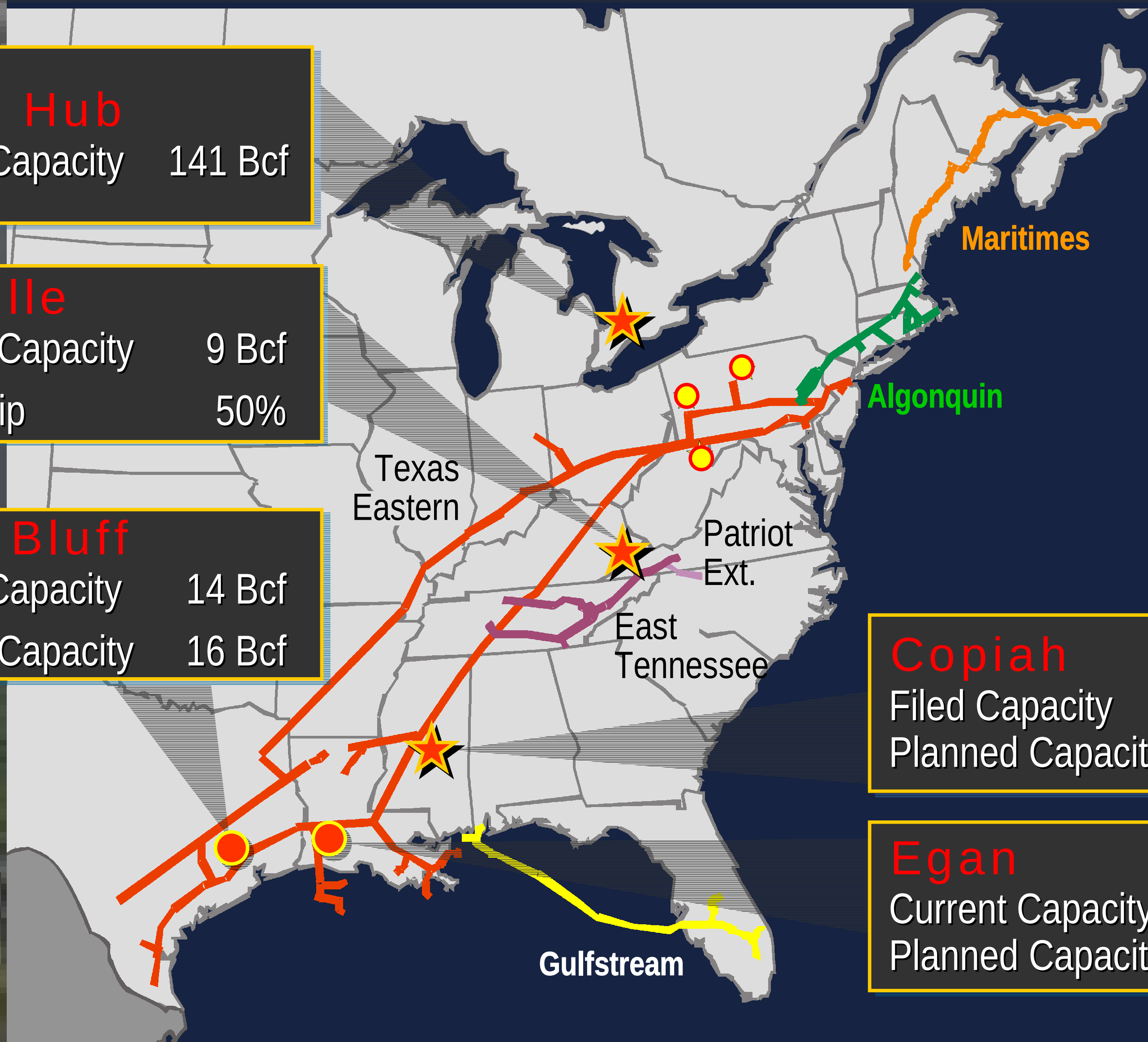
Dawn Hub
Current Capacity 141 Bcf

Saltville
Planned Capacity 9 Bcf
Ownership 50%

Moss Bluff
Current Capacity 14 Bcf
Planned Capacity 16 Bcf



Copiah
Filed Capacity 3 Bcf
Planned Capacity 9 Bcf

Egan
Current Capacity 14 Bcf
Planned Capacity 20 Bcf

Maritimes & Northeast Pipeline Phase IV Mainline Expansion (400 MDth/d)

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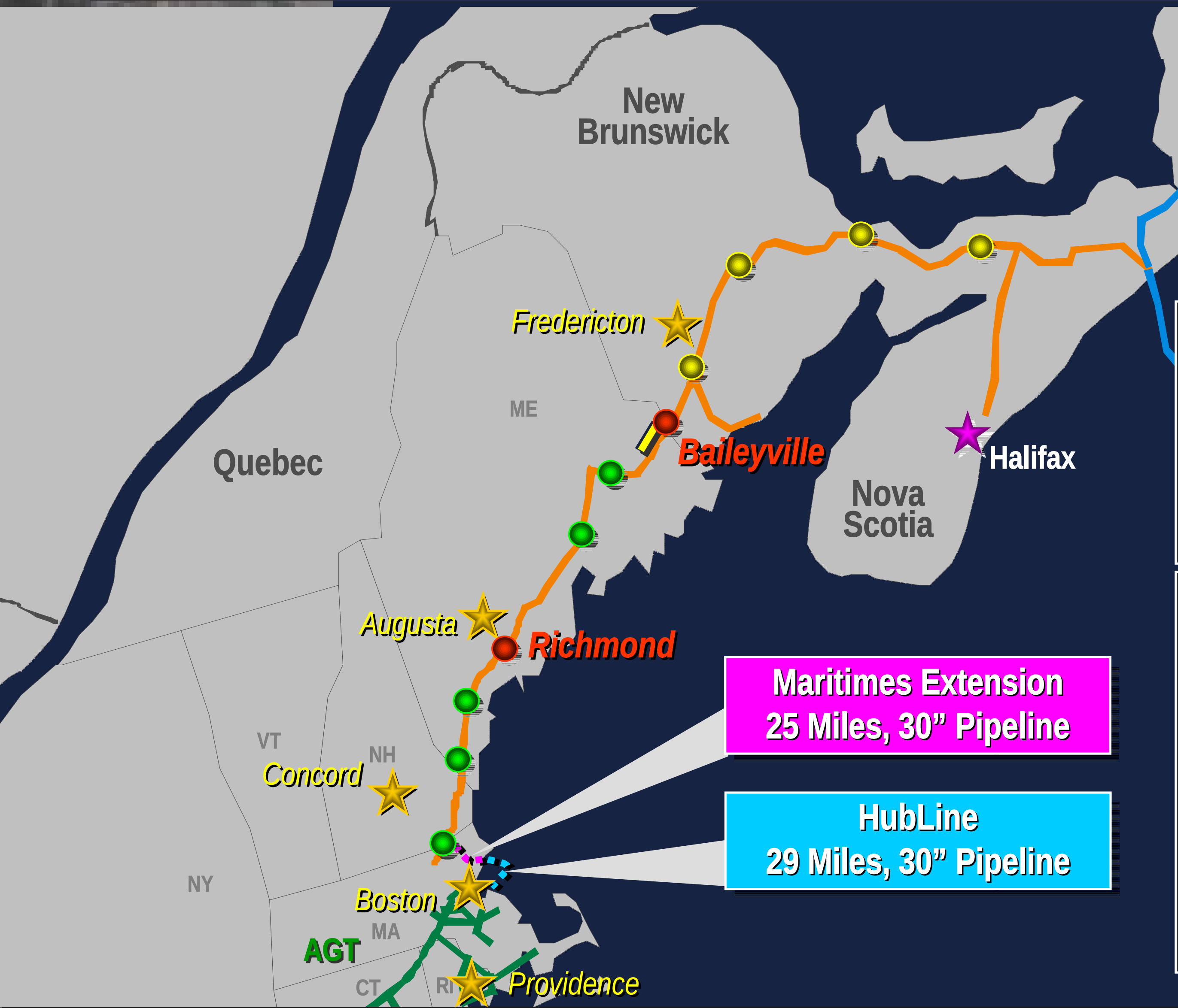

Facilities

- Station Upgrade
- New Stations - Canada
- New Stations - U.S.
- Loop - 31 miles 36"

Maritimes Expansion

Cost	$380 MM
Capacity:	
Canada	955 MDth/d
U.S.	800 MDth/d
In-Service	2005
Target Rate (U.S. & Canada)	$1.00

DEGT: Western Canadian Growth Opportunities

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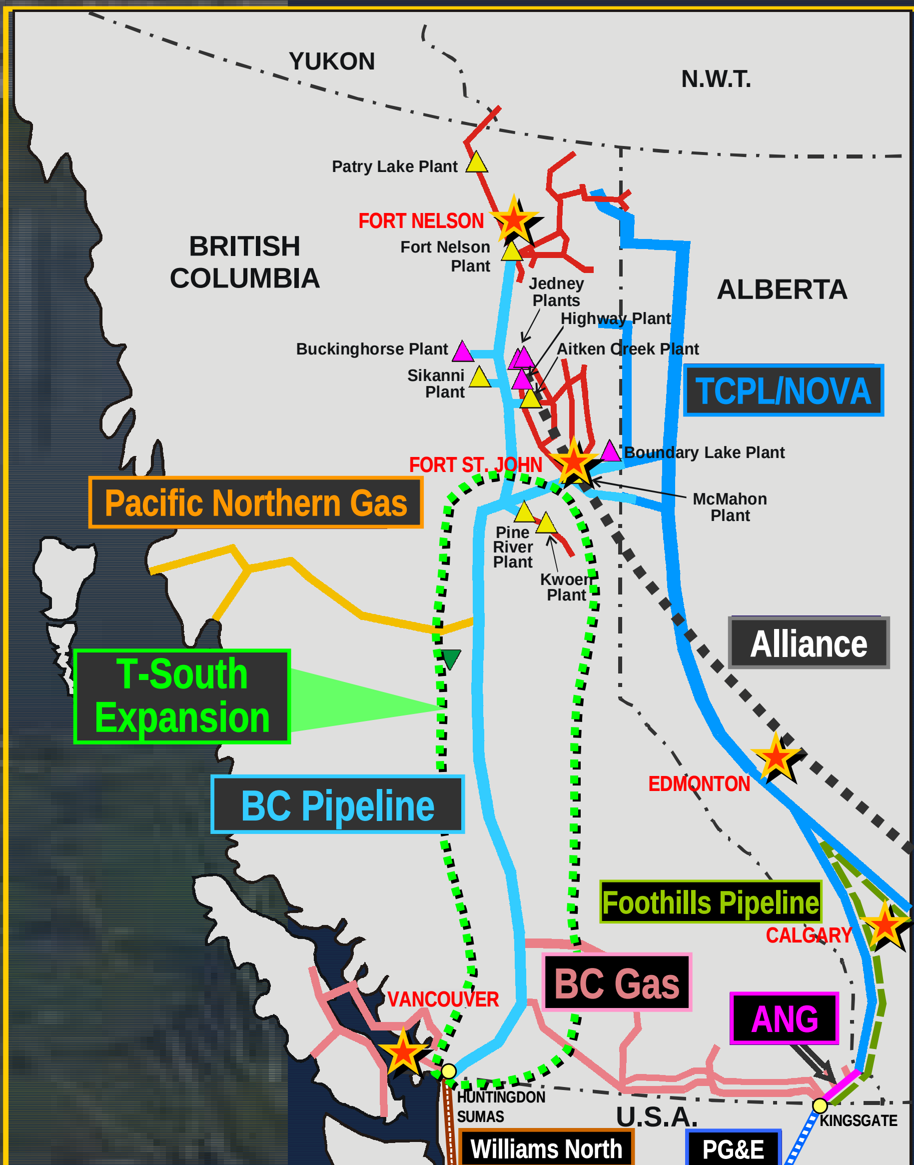

- Planned expansion of Westcoast's BC Pipeline
  - Fort Nelson to Station 2
  - Station 2 to Sumas
  - Fort Nelson Plant
  - Grizzly Valley / Pine River
  - Total potential Capex $327 Million Canadian

DEGT
- BC Pipeline Mainline
- Raw Gas Transmission
- Regulated Gas Processing Plants
- WGSI Unregulated Processing Plants
- Sulphur Products
- Pacific Northern Gas
- Alliance
- Foothills

Non-Affiliated Pipelines
- Williams West
- BC Gas Utility
- TCPL/NOVA
- Alberta Natural Gas
- PG&E GT-NW

Conclusions

- The U.S. market will exceed 30 Tcf/yr before 2020
  - Electric generation will be the key growth market
- Gas supply growth will satisfy incremental demand
  - Canada gas import growth will be a key
- Growth will require large new gas infrastructure
  - New pipeline capacity
  - Expanded storage capacity and deliverability

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